

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA	:	CRIMINAL NO. _____
v.	:	DATE FILED: _____
TERRI WHATLEY	:	Violations:
STEPHEN PALMER	:	18 U.S.C. § 1030(a)(2)(A) (Computer fraud
MARC LEH	:	- 22 counts)
THOMAS MATERA	:	18 U.S.C. § 2 (Aiding and abetting)
ADAM DILAURO	:	
MICHAEL ORLANDO	:	
THOMAS AGNELLO	:	
JEFFERY BOOTH	:	
MARIN MARKOCH	:	
ROBERT JEFFERSON	:	
NIKOS HASELIDIS	:	
GEORGE LOMBARDO	:	
LEON RAPPAPORT	:	
SANTOS LAUREANO	:	

INDICTMENT

COUNTS ONE THROUGH TWENTY-TWO

THE GRAND JURY CHARGES THAT:

BACKGROUND

At all times material to this Indictment:

1. Trans Union LLC ("TU") was a credit reporting agency, also called a credit bureau, with headquarters in Chicago, Illinois, and with a facility located at 2 Baldwin Plaza, Crum Lynne, Pennsylvania. TU maintained a sophisticated computer infrastructure to assemble and manage financial data, including public record information and individual consumers' credit information. TU assigned a credit score to each individual consumer; lower scores showed a less

favorable credit history and a greater credit risk, and higher scores showed a more favorable credit history and a lesser credit risk. TU provided credit reports containing individual consumers' credit histories and credit scores to credit grantors, such as banks, retailers, and mortgage companies for use by these entities in determining whether to grant credit to consumers.

2. Defendant TERRI WHATLEY was employed at TU as a Dispute Investigator, a Telephone Investigator, a Consumer Relations Service Representative, and a Consumer Contact Representative. In each of these positions WHATLEY received and investigated disputes from consumers concerning the accuracy of their credit histories.

3. TU authorized employees, such as defendant TERRI WHATLEY, to change to individuals' computerized credit histories only after resolving disputes through verification with the credit grantor or appropriate record keeper. TU required its employees to retain all documentation received concerning the disputes, including documents from consumers and credit grantors, and required its employees to maintain internal documentation concerning how they resolved each dispute. TU did not authorize its employees, including defendant WHATLEY, to alter credit histories in exchange for payment from debtors.

4. Adelphia Auto, Inc., (Adelphia) was a used car sales business with Pennsylvania locations at 500 West Baltimore Pike in Clifton Heights, 7311 Marshal Road in Upper Darby, 231-241 Woodland Avenue in Morton, and 80 Bethlehem Pike in Colmar. Adelphia subscribed to TU's services and used TU's credit reports to determine whether to grant credit to prospective car purchasers.

THE UNAUTHORIZED ALTERATIONS

5. Defendant TERRI WHATLEY, a former dispute investigator at TU, received cash payoffs from defendants to alter their computerized credit histories at TU. WHATLEY lowered or removed entirely the balances owed on outstanding loans, marked outstanding debts as paid and closed, and removed negative and unfavorable credit information, such as loan delinquencies, bankruptcies, and judgments against the defendants from their credit histories. These alterations falsely improved the defendants' credit histories and scores and increased their opportunities to receive credit.

6. The thirteen defendants named below, many of whom were employees or former employees of Adelphia, accessed their altered and falsely improved credit histories through Adelphia. After the alterations the thirteen defendants applied for and received credit with credit grantors, such as banks, retailers, and mortgage companies, knowing that these entities would rely on the falsely improved credit histories generated through TU.

7. The thirteen defendants received credit and generated debts totaling in excess of \$500,000 which have not been paid off and which remain delinquent.

8. On or about the dates specified below, at Crum Lynne in the Eastern District of Pennsylvania and elsewhere, defendants

TERRI WHATLEY,
STEPHEN PALMER,
MARC LEH,
THOMAS MATERA,
ADAM DILAURO,
MICHAEL ORLANDO,
THOMAS AGNELLO,
JEFFERY BOOTH,
MARIN MARKOCH,
ROBERT JEFFERSON,

NIKOS HASELIDIS,
GEORGE LOMBARDO,
LEON RAPPAPORT, and
SANTOS LAUREANO,

intentionally accessed, and aided and abetted and willfully caused the access of, a computer without authorization and exceeding authorized access, and thereby obtained information contained in the files of a consumer credit reporting agency, that is, TU, on a consumer, for the purpose of private financial gain:

<u>COUNT</u>	<u>DEFENDANT(S)</u>	<u>DATE OF ACCESS</u>
1	TERRI WHATLEY STEPHEN PALMER	April 24, 2000
2	TERRI WHATLEY STEPHEN PALMER	December 14, 2000
3	TERRI WHATLEY MARC LEH	April 20, 2000
4	TERRI WHATLEY MARC LEH	April 27, 2000
5	TERRI WHATLEY MARC LEH	July 6, 2000
6	TERRI WHATLEY THOMAS MATERA	April 24, 2000
7	TERRI WHATLEY ADAM DILAURO STEPHEN PALMER	June 13, 2000
8	TERRI WHATLEY ADAM DILAURO STEPHEN PALMER	December 28, 2000

9	TERRI WHATLEY ADAM DILAURO MICHAEL ORLANDO	April 7, 2001
10	TERRI WHATLEY MICHAEL ORLANDO STEPHEN PALMER	December 9, 2000
11	TERRI WHATLEY MICHAEL ORLANDO	April 4, 2001
12	TERRI WHATLEY THOMAS AGNELLO ADAM DILAURO STEPHEN PALMER	December 20, 2000
13	TERRI WHATLEY THOMAS AGNELLO ADAM DILAURO STEPHEN PALMER	December 29, 2000
14	TERRI WHATLEY JEFFREY BOOTH	May 30, 2000
15	TERRI WHATLEY JEFFREY BOOTH	June 2, 2000
16	TERRI WHATLEY JEFFREY BOOTH	June 6, 2000
17	TERRI WHATLEY MARIN MARKOCH	May 8, 2000
18	TERRI WHATLEY ROBERT JEFFERSON	July 7, 2000
19	TERRI WHATLEY NIKOS HASELIDIS	June 2, 2000

20	TERRI WHATLEY GEORGE LOMBARDO	January 3, 2001
21	TERRI WHATLEY LEON RAPPAPORT THOMAS MATERA	May 8, 2000
22	TERRI WHATLEY SANTOS LAUREANO	July 12, 2000

All in violation of Title 18, United States Code, Sections §§ 1030(a)(2)(A) and 2.

A TRUE BILL:

FOREPERSON

PATRICK L. MEEHAN
United States Attorney